MONTANA
Department of Commerce

HOUSING CONDITION STUDY

Prepared by

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Information in Support of the Montana Consolidated Plan
For the Plan Year Beginning April 1, 2005

FEBRUARY 2005

EQUAL HOUSING OPPORTUNITY

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HOUSING CONDITION STUDY

OVERVIEW

The purpose of the Montana Housing Condition Study is to evaluate the current housing stock in the state. The detailed data presented on the current housing stock will help the state and community organizations better understand what types of housing are available for rent and for purchase, and assist them in determining the housing needs of Montana citizens.

Data regarding the physical characteristics and residential improvements of all residential property was extracted from the Computer Assisted Mass Appraisal System (CAMAS) database maintained by the Montana Department of Revenue (MDOR). Data presented in this report is at the state level. Data for each county and selected municipalities is available and can be obtained by contacting the Montana Department of Commerce HOME program at (406) 841-2820, or downloaded from the following websites:

http://housing.state.mt.us/Hous_CP_Apps.asp

http://www.msubillings.edu/caer/realestate.htm

The Montana Department of Revenue maintains the CAMAS database for assessment and property taxation purposes. Property tax records are maintained in two separate databases: property taxed as residential and property taxed as commercial. Property taxed as residential includes single-family homes, condominiums and mobile homes. (Vacant residential lots and outbuildings are part of the residential database but are excluded from this study.) Property taxed as commercial includes apartments, duplexes, condominiums, mixed-use structures and townhouses. (Non-residential commercial structures and vacant lots are part of the commercial database but are excluded from this study.)

From the CAMAS database accessed in mid-2004[1], there were 402,393 residential dwelling units and 12,921 commercial dwelling structures containing 46,230 dwelling units. The total dwelling units of 448,623 per CAMAS compares to 412,633 housing units reported by Census 2000, and 419,726 estimated by the Census Bureau as of July 1, 2003.

[1] Since the database was accessed in mid-2004, data for 2004, and possibly 2003, is incomplete, as all properties constructed in 2003 and 2004 may not have been entered into the database, depending on the appraisal cycle.

RESIDENTIAL DWELLINGS

The CAMAS residential database reported 402,393 dwelling units in 2004. The dwellings are summarized by type and year built in Table 1 below.

TABLE 1
Residential Dwellings by Construction Era

Year Built	Condominium	Mobile Home	Single Family	Total
1959 and earlier	267	2,211	148,747	151,225
1960-1969	1,064	10,528	24,948	36,540
1970-1979	2,500	32,516	47,187	82,203
1980-1989	2,987	10,022	29,419	42,428
1990-1999	3,643	15,692	45,811	65,146
2000	307	1,623	5,018	6,948
2001	503	999	5,641	7,143
2002	619	908	5,824	7,351
2003	167	449	2,715	3,331
2004	0	66	12	78
TOTAL	12,057	75,014	315,322	402,393

Although 47% of the housing stock is more than 35 years old, over 20% of the housing stock has been built in the last 15 years. While the share of housing stock has decreased for mobile homes (from 40% of housing added in the 1970's to 24% added in the 1990's), it increased for condominiums (construction doubled from the 1960/1970's to the 1980/1990's) and single-family homes (from 73% of housing stock constructed prior to 1990 to 76% constructed since 1990).

Trends in the Residential Housing Stock

The market for newly constructed homes shows a trend toward larger living spaces, in square feet, increased bedrooms, and increased full bathrooms.

Prior to 1960, two-bedroom homes represented 37% of the residential housing stock while three-bedroom homes represented 32%. Beginning in the 1970's, construction of three-bedroom homes was significantly higher than construction of two-bedroom homes. For example, in the 1990's, 3-bedroom homes accounted for 56% of housing constructed while two-bedroom homes accounted for 20%.

Since 1959, three-bedroom homes account for 50% of residential housing constructed while two-bedroom homes account for 27%. This change has been offset by a one-third decrease in construction of one-bedroom/studio homes. The percentage of 4+ bedroom homes constructed has remained relatively constant since 1969.

TABLE 2
Number of Bedrooms by Construction Era

Year Built	None/ Studio	1 Brdm	2 Bdrms	3 Bdrms	4 Bdrms	5 Bdrms	6+ Bdrms	Total
1959 and earlier	2,157	19,240	56,012	47,673	19,882	4,923	1,338	151,225
1960-1969	384	2,264	13,286	13,528	5,166	1,572	340	36,540
1970-1979	607	2,829	26,392	38,916	10,164	2,741	554	82,203
1980-1989	403	2,437	11,596	21,507	5,227	1,011	247	42,428
1990-1999	609	3,152	13,035	36,792	9,177	1,910	471	65,146
2000	83	349	1,259	3,884	1,079	216	78	6,948
2001	82	402	1,300	3,906	1,115	265	73	7,143
2002	106	487	1,326	3,969	1,147	243	73	7,351
2003	50	136	551	1,937	517	107	33	3,331
2004	0	1	18	54	3	2	0	78
TOTAL	4,481	31,297	124,775	172,166	53,477	12,990	3,207	402,393

The number of bathrooms has increased as well. Prior to 1960, 82% of homes were constructed with two full baths or less. In the 1990's, 34% of homes were constructed with two full baths or less, while 66% of homes constructed had three or more full baths.

TABLE 3
Number of Full Bathrooms by Construction Era

Year Built	None	1 Bath	2 Baths	3 Baths	4 Baths	5+ Baths	Total
1959 and earlier	6,569	52,676	64,088	24,563	2,642	687	151,225
1960-1969	1,834	10,908	14,163	8,016	1,456	163	36,540
1970-1979	2,663	15,468	37,473	21,544	4,490	565	82,203
1980-1989	2,177	5,668	16,245	14,647	3,037	654	42,428
1990-1999	2,730	3,600	15,698	32,235	8,238	2,645	65,146
2000	271	340	1,229	3,646	970	492	6,948
2001	365	334	1,020	3,522	1,238	664	7,143
2002	413	383	1,030	3,642	1,207	676	7,351
2003	153	127	399	1,823	579	250	3,331
2004	1	0	27	44	6	0	78
TOTAL	17,176	89,504	151,372	113,682	23,863	6,796	402,393

The trend toward building larger homes was further confirmed by analyzing the total square feet of the current housing stock. Total square footage of homes helps put the number of bedrooms and full bathrooms in perspective. Prior to the 1980's, 68% of homes were 2,000 square feet or less. As of 2004, 64% of homes were 2,000 square feet or less. However, since 1960, homes with more than 3,000 square feet have been constructed at twice the rate of homes with 2,000 square feet or less.

TABLE 4
Total Square Feet by Construction Era

	Total Square Feet						
Year Built	**1,000 or less**	**1,001 - 2,000**	**2,001 - 3,000**	**3,001 - 4,000**	**4,001 - 5,000**	**over 5,000**	**Total**
1959 and earlier	40,905	68,806	34,019	5,887	1,205	403	151,225
1960-1969	13,013	9,398	11,344	2,287	403	95	36,540
1970-1979	28,597	23,631	22,492	6,039	1,136	308	82,203
1980-1989	8,294	17,637	10,942	4,058	1,029	468	42,428
1990-1999	6,445	29,571	15,843	8,953	2,842	1,492	65,146
2000	527	3,074	1,703	1,010	400	234	6,948
2001	569	2,819	1,800	1,177	469	309	7,143
2002	665	2,811	1,942	1,158	471	304	7,351
2003	182	1,457	855	543	193	101	3,331
2004	2	54	19	2	1	0	78
TOTAL	99,199	159,258	100,959	31,114	8,149	3,714	402,393

Condition of the Residential Housing Stock

The MDOR appraisers collected substantive information about the physical condition and construction of residential improvements. This included basic data such as building style, type of foundation, roof materials, basement type, wall construction and exterior wall finish.

Additionally, appraisers rated the physical condition and quality and workmanship of the dwelling. Using these ratings, they assigned an effective use and condition to the dwelling, which indicates its effective age.

The physical condition, desirability and usefulness rating assigned to a dwelling refers to a composite judgment of the overall physical condition or state of repair of the interior and exterior features of the dwelling relative to its age. In making this judgment, consideration was given to the foundation, porches, walls, exterior trim, roofing, chimneys, wall finish, interior trim, kitchen cabinets, heating system and plumbing. The condition ratings are:

> Unsound – indicates that the dwelling is definitely structurally unsound and practically unfit for use.
>
> Very poor – indicates that the dwelling is definitely structurally unsound and practically unfit for use. Repair and overhaul is needed on painted surfaces, roofing, plumbing and heating. There is excessive deferred maintenance and abuse. Property is approaching abandonment or major reconstruction.
>
> Poor – indicates that definite deterioration is obvious. Property is undesirable and barely usable.

Fair – indicates marked deterioration but is still quite usable. Property is rather unattractive and undesirable. Much repair is needed and many items need refinishing or overhauling. Deferred maintenance is obvious.

Average – indicates normal wear and tear relative to its age. Property has average attractiveness and is desirable. There is some evidence of deferred maintenance needed such as minor repairs and refinishing. All major components are still functional.

Good – indicates that minor deterioration is visible. Property is slightly more attractive and desirable. No obvious maintenance is required, but neither is everything new. Appearance is above the standard relative to the property's age.

Very good – indicates slight evidence of deterioration. All items are well maintained and have been overhauled and repaired as they showed signs of wear. There is little deterioration or obsolescence and a high standard of upkeep relative to its age.

Excellent – indicates perfect condition. Property is very attractive and highly desirable. All items that can be normally repaired or refinished have been recently corrected, such as new roofing, paint, furnace overhaul and state-of-the-art components. There are no functional inadequacies and all components are new or in like-new condition. Most new homes would receive a condition rating of excellent (unless constructed with substandard materials and workmanship).

Montana's residential housing stock consisted of 3.3% that was unsuitable for habitation (rated unsound or very poor), or almost 13,248 dwellings. Another 23,756 dwellings were in poor shape and 60,546 in fair shape. In total, over 97,000 dwellings were in serious need of maintenance and overhaul. Over 75% of the housing stock was in average to excellent condition.

TABLE 5
Physical Condition by Structure Type

Physical Condition	Condominium	Mobile Home	Single Family	Total	Percent of Total
Unsound	168	1,650	3,957	5,775	1.4%
Very Poor	3	1,576	5,894	7,473	1.9%
Poor	542	10,314	12,900	23,756	5.9%
Fair	376	22,047	38,123	60,546	15.0%
Average	2,952	27,450	133,922	164,324	40.9%
Good	3,619	9,872	88,458	101,949	25.3%
Very Good	2,389	1,883	26,036	30,308	7.5%
Excellent	2,008	222	6,032	8,262	2.1%
TOTAL	12,057	75,014	315,322	402,393	100.0%

Comparing the percentages to the previous housing condition study undertaken in 1999, there has been some improvement in Montana's housing stock at the two lowest condition ratings and a significant increase in the percentage of dwellings in above-average condition.

	2004	1999
Unsound/very poor	3.3%	3.8%
Poor	5.9	5.5
Fair	15.0	15.8
Average	40.9	55.5
Good/very good	32.8	18.0
Excellent	2.1	1.4
	100.0%	100.0%

Appraisers also assign a grade to each dwelling. The accuracy of a residential appraisal depends largely upon selection of the correct grade. Grade represents quality, which applies to both the workmanship and materials used in construction. The value of a dwelling constructed of high quality materials and with the best workmanship throughout may be considerably higher than one built from the same floor plan with inferior materials and workmanship. *As opposed to the physical condition rating, the quality rating applies to the structure as if it were new*. The basic grade represents average quality and workmanship. There are four grades above and four grades below the average rating for condominiums and single-family homes. Mobile homes are assigned one of four grades (low cost, average, good, or excellent).

TABLE 6
Quality and Workmanship by Structure Type

Quality and Workmanship	Condominium	Mobile Home	Single Family	Total	Percent of Total
Cheap	0	0	3,217	3,217	0.8%
Poor	1	0	9,751	9,752	2.4%
Low Cost	1	40,751	34,177	74,929	18.6%
Fair	862	0	91,895	92,757	23.1%
Average	6,774	22,166	136,446	165,386	41.1%
Good	3,154	11,687	30,596	45,437	11.3%
Very good	945	0	7,207	8,152	2.0%
Excellent	265	410	1,518	2,193	0.6%
Superior	55	0	515	570	0.1%
TOTAL	12,057	75,014	315,322	402,393	100.1%

Over 40% of Montana's dwellings were constructed with average materials and workmanship, while 14% were graded good to superior. Almost 45% used below average materials and workmanship. It can be inferred that lower grade dwellings may result in future higher maintenance costs. Looking at quality and workmanship by construction era provides additional information.

TABLE 7
Quality and Workmanship by Construction Era

	Quality and Workmanship									
Year Built	**Cheap**	**Poor**	**Low Cost**	**Fair**	**Average**	**Good**	**Very Good**	**Excellent**	**Superior**	**Total**
1959 and earlier	2,113	6,798	28,781	63,876	45,958	3,251	377	69	2	151,225
1960-1969	204	620	11,509	5,609	16,820	1,577	184	17	0	36,540
1970-1979	333	776	28,620	10,101	35,589	6,071	642	69	2	82,203
1980-1989	273	769	3,940	6,036	22,626	7,069	1,427	275	13	42,428
1990-1999	235	622	1,605	5,459	32,786	19,384	3,721	1,149	185	65,146
2000	13	53	158	540	3,263	2,212	439	176	94	6,948
2001	22	43	130	490	3,201	2,342	606	203	106	7,143
2002	16	59	148	468	3,428	2,400	520	168	144	7,351
2003	8	12	38	177	1,687	1,085	234	66	24	3,331
2004	0	0	0	1	28	46	2	1	0	78
TOTAL	3,217	9,752	74,929	92,757	165,386	45,437	8,152	2,193	570	402,393

The percentage of dwellings constructed with below-average materials and workmanship has decreased since 1959, while those built with average and above-average materials and workmanship have increased.

Another rating used by appraisers is the “effective year”, which can be earlier or later than the actual year of construction. If the condition of the building is better than average, the effective year will be more recent than the actual year built. If the condition is worse than average, the effective year will be older than the actual year built. Major alterations, additions, or rebuilding can extend the useful life of a dwelling and add to its present value. In such cases, the effective age is more useful than the actual age of the dwelling.

Dwellings constructed with cheap, poor or low cost materials and workmanship tend to have an older effective age than homes using higher quality materials and workmanship.

TABLE 8
Effective Age by Quality and Workmanship

	Quality and Workmanship									
Effective Age	**Cheap**	**Poor**	**Low Cost**	**Fair**	**Average**	**Good**	**Very Good**	**Excellent**	**Superior**	**Total**
1939 and earlier	1,930	4,330	47,311	19,759	66,096	27,274	4,566	1,495	487	173,248
1940-1949	311	1,083	3,955	4,746	1,044	83	3	0	0	11,225
1950-1959	145	723	4,908	7,155	1,798	65	5	0	0	14,799
1960-1969	191	968	5,971	17,945	9,920	345	30	1	0	35,371
1970-1979	387	1,667	7,619	17,909	25,899	1,811	161	27	1	55,481
1980-1989	189	732	4,176	20,468	41,960	6,311	695	111	1	74,643
1990-1999	60	218	872	4,382	16,194	7,537	1,988	365	25	31,641
2000 or later	4	31	117	393	2,475	2,011	704	194	56	5,985
TOTAL	3,217	9,752	74,929	92,757	165,386	45,437	8,152	2,193	570	402,393

Effective age is also tabulated by the type of foundation.

Block – indicates a continuous foundation wall constructed of concrete, structural clay tile, or cinder shaped in the form of hollow blocks, which are layered or stacked.

Concrete – indicates a continuous foundation wall of poured in place, reinforced concrete.

None – indicates the dwelling is resting on dirt or mudsills.

Other – indicates a foundation wall that does not fit into the other categories.

Pier – indicates the dwelling has piers for a foundation.

Slab – indicates a monolithic poured slab with no additional foundation or footing.

Stone – indicates a continuous masonry foundation wall constructed of rubble or cut stone laid in place.

Wood – indicates that the foundation is constructed of decay resistant, impregnated wood.

TABLE 9
Effective Age by Foundation Type

	Type of Foundation								
Effective Age	**Block**	**Concrete**	**None**	**Other**	**Pier**	**Slab**	**Stone**	**Wood**	**Total**
1939 and earlier	2,178	103,603	27,533	145	37,276	1,754	330	429	173,248
1940-1949	41	9,870	192	5	982	38	83	14	11,225
1950-1959	88	13,440	184	13	767	118	164	25	14,799
1960-1969	270	32,523	397	17	1,311	288	510	55	35,371
1970-1979	482	50,697	755	13	2,788	467	207	72	55,481
1980-1989	409	70,123	535	15	2,592	561	165	243	74,643
1990-1999	326	29,171	534	25	923	460	29	173	31,641
2000 or later	39	5,641	94	2	104	81	2	22	5,985
TOTAL	3,833	315,068	30,224	235	46,743	3,767	1,490	1,033	402,393

Homes with no foundation or piers for a foundation tend to have an older effective age than homes with concrete or slab foundations.

Effective age also differs by structure type. Mobile homes tend to have an older effective age than condominiums and single-family homes. This is due in part to the lower quality materials and workmanship used in construction.

TABLE 10
Effective Age by Structure Type

Effective Age	Condominium	Mobile Home	Single Family	Total
1939 and earlier	5,518	70,883	96,847	173,248
1940-1949	16	4	11,205	11,225
1950-1959	0	50	14,749	14,799
1960-1969	716	293	34,362	35,371
1970-1979	379	1,401	53,701	55,481
1980-1989	2,773	1,325	70,545	74,643
1990-1999	1,876	824	28,941	31,641
2000 or later	779	234	4,972	5,985
TOTAL	12,057	75,014	315,322	402,393

Overall, 43% of residential dwellings had an effective age prior to 1940, while 38% of homes were constructed prior to 1960. The effective age was older than the actual age, indicating that the housing stock was worse than average condition.

Style and Characteristics of the Residential Housing Stock

Data on style and characteristics collected by appraisers aids them in determining value. This data includes the building style, foundation type, basement type, wall construction, exterior wall finish and roof materials.

Residential dwelling are assigned the style that is most representative of the dwelling's physical characteristics.

A-Frame – dwelling has a frame in the shape of one or more "A's". A-frames have very steep gable roofs and front and rear walls usually have large glass areas.

Bi-level – a contemporary one-story house which provides (or has the potential to provide if finished) two levels of living area. The lower level either has a raised basement or a walkout basement which has one side exposed at grade level when the house is built into a hillside.

Bungalow – picturesque cottage-like homes that feature low simple lines, a wide projective gable roof, large porches, a walkway stoop, and rough natural construction materials. Typically, they are a one or one and one-half story dwelling.

Condominium – identifies a distinct type of ownership. The unit living area is owned exclusively by the unit owner. The land, common hallways, stairways, roof, foundation, and exterior recreational features are owned in common by all

unit owners. The condominium may be a townhouse, hi-rise, or garden apartment in style.

Conventional – a contemporary one to three-story house with conservative architecture. These dwellings may incorporate elements of traditional, Spanish, colonial, Elizabethan, or period designs, but are not true replicas.

Early American – catch-all grouping of homes with Colonial architecture that includes true period homes and contemporary replicas. Only historically accurate examples of Colonial architecture belong in this category. Most newer homes with only traces of Colonial architecture would fall into the conventional category.

Earth-Sheltered – a contemporary house built below ground level or into a hillside. The roof is covered with earth except for skylights, a clerestory window, or possibly an atrium.

Log – homes have exterior walls built of logs, either in round or squared shape.

Mobile Home – includes single, double and triple wide mobile homes.

Modern - houses which are innovative or unique in design, use of construction methods or materials. These are typically architect designed homes which belong in a class by themselves.

Old-Style – houses which are transitions from the Victorian era or provincial examples of Georgian revivals or picturesque English style period homes.

Other – truly unique and rare architectural examples which do not fall into any other category.

Ranch – a contemporary one story house with all habitable rooms and automobile storage located on one level.

Shotgun – houses with each room directly in line with the others. The front and back doors and the doors in each room are in alignment. These homes are typically one room wide and one story tall.

Split-Level – a contemporary house with three basic living levels, not counting a basement, if present. The typical layout includes a garage and recreation room on the lower level, a living room one-half flight of stairs up on the middle level, and the bedrooms on the upper level.

Traditional/Victorian – a rich and impressive architecture typified by asymmetrical shapes and silhouettes, often with steep intersecting gable roofs, towers, dormers and bay windows. Vertical emphasis is provided by the use of tall chimneys and turrets. Complied scrollwork and elaborate trimmings are prevalent.

Almost 72% of Montana homes fall into one of three categories: conventional, ranch, or mobile home.

TABLE 11
Building Style by Structure Type

Building Style	Condominium	Mobile Home	Single Family	Total
A-Frame	0	0	875	875
Bi-Level	0	2	13,292	13,294
Bungalow	0	0	7,192	7,192
Condominium	11,742	0	0	11,742
Conventional	228	230	136,412	136,870
Early American	0	1	788	789
Earth Sheltered	0	0	368	368
Log	21	0	21,258	21,279
Mobile Home	2	73,375	153	73,530
Modern	0	1	4,183	4,184
Old Style	0	1	35,777	35,778
Other	26	1,338	3,758	5,122
Ranch	37	65	79,155	79,257
Shotgun	0	0	1,021	1,021
Split Level	0	0	9,551	9,551
Traditional/Victorian	1	0	1,539	1,540
Missing Data	0	1	0	1
TOTAL	12,057	75,014	315,322	402,393

The foundations of Montana's residential dwellings (as previously defined) vary by structure type. Over 92% of single-family homes and condominiums have a reinforced concrete foundation, while only 16% of mobile homes have this type of foundation. Over 81% of mobile homes have a pier foundation or lack any type of foundation.

TABLE 12
Type of Foundation by Structure Type

Foundation	Condominium	Mobile Home	Single Family	Total
Block	21	1,511	2,301	3,833
Concrete	11,652	12,148	291,268	315,068
None	240	28,112	1,872	30,224
Other	0	103	132	235
Pier	5	32,677	14,061	46,743
Slab	126	343	3,298	3,767
Stone	1	7	1,482	1,490
Wood	12	113	908	1,033
TOTAL	12,057	75,014	315,322	402,393

For residential dwellings that have a basement, there are three descriptive types based on size.

Crawl – indicates that the area below the dwelling is unfinished, accessible but less than a full story height, or only 25% or less of the first floor area.

Part – indicates that the basement area is greater than 25% but less than 75% of the first floor area.

Full – indicates that the basement area is 75% or more of the first floor area.

As expected, most mobile homes do not have a basement. Most single-family homes have either a full basement (47%) or no basement at all (37%).

TABLE 13
Presence of Basement by Structure Type

Basement	Condominium	Mobile Home	Single Family	Total
None	7,546	71,689	117,963	197,198
Crawl	317	1,382	14,341	16,040
Part	333	202	34,265	34,800
Full	3,861	1,741	148,753	154,355
TOTAL	12,057	75,014	315,322	402,393

Wall construction refers to the predominate type of wall construction and includes frame only, masonry and frame, masonry only, and log (not log over frame). Over 90% of single-family homes, over 95% of condominiums, and over 99% of mobile homes utilize frame construction.

TABLE 14
Wall Construction by Structure Type

Wall Construction	Condominium	Mobile Home	Single Family	Total
Frame	11,489	74,945	286,404	372,838
Log	40	4	22,436	22,480
Mason	528	65	6,482	7,075
TOTAL	12,057	75,014	315,322	402,393

Exterior wall finish is based on the predominate type of exterior finish. Wood siding, followed by maintenance free aluminum/vinyl/steel siding and masonite (any type of hardboard) are the materials used in most residential homes.

TABLE 15
Exterior Wall Finish by Structure Type

Exterior Finish	Condominium	Mobile Home	Single Family	Total
Absestos	24	81	15,250	15,355
Aluminum/Vinyl/Steel	1,116	42,851	36,523	80,490
Block	112	12	1,002	1,126
Brick	397	7	6,008	6,412
Masonite	2,791	13,020	54,328	70,139
Other	316	1,246	27,266	28,828
Shingle	82	83	15,876	16,041
Stone	60	22	569	651
Stucco	471	38	13,391	13,900
Wood Siding or Sheathing	6,688	17,654	145,109	169,451
TOTAL	12,057	75,014	315,322	402,393

Roof material is based on the predominate type of material used. Over 58% of residential homes use asphalt shingles for roofing material.

TABLE 16
Roof Material by Structure Type

Roof Material	Condominium	Mobile Home	Single Family	Total
Asbestos	2	332	1,751	2,085
Asphalt Shingles	8,446	25,095	202,829	236,370
Composition Roll	170	7,086	21,751	29,007
Copper	0	15	53	68
Metal	312	41,631	42,300	84,243
Slate	1	16	275	292
Built up Tar and Gravel	652	430	4,370	5,452
Tile	43	14	1,300	1,357
Other	44	83	508	635
Wood Shake	2,238	114	14,621	16,973
Wood Shingle	149	198	25,564	25,911
TOTAL	12,057	75,014	315,322	402,393

COMMERCIAL DWELLINGS

Commercial Structures Used for Residential Purposes

The Montana Department of Revenue collects different information on commercial property, including commercial dwellings. While there is some focus on describing the property and its attributes (type of structure, number of bedrooms, number of bathrooms, construction grade, and physical condition), a greater emphasis is placed on determining the income derived from the property to determine assessed value. Commercial dwellings are all considered rental properties.

Commercial buildings include various structure types, including single-family homes, duplexes, triplexes, fourplexes, apartment buildings, townhouses, rowhouses, condominiums, and mixed-use structures that may have some residential use contained within the structure.

TABLE 17
Commercial Structure Type by Construction Era

Year Built	Apartment < 4 story	Apartment 4+ story	Boarding/ Rooming House	Condo	Duplex	Fourplex	Mixed Use Built as Comm	Mixed Use Built as Resid	Single Family	Townhouse	Triplex	Total
1959 and earlier	1,353	25	6	0	2,006	746	49	50	268	45	644	5,192
1960-1969	253	0	2	0	588	261	7	7	24	8	76	1,226
1970-1979	754	11	1	25	1,144	727	3	7	35	22	113	2,842
1980-1989	393	4	1	2	413	387	1	1	13	55	85	1,355
1990-1999	439	0	3	5	553	334	6	5	16	25	84	1,470
2000	42	0	1	0	75	53	2	1	4	3	1	182
2001	48	0	0	0	61	46	0	1	0	3	4	163
2002	87	0	0	0	62	46	0	0	4	1	12	212
2003	71	0	0	1	133	57	0	0	5	1	9	277
2004	0	0	0	0	2	0	0	0	0	0	0	2
TOTAL	3,440	40	14	33	5,037	2,657	68	72	369	163	1,028	12,921

The pace of construction has increased in recent years. In 2002 and 2003, construction approached the annual level seen during the 1970's.

As with residential dwellings, appraisers assign a grade to commercial buildings, indicating the quality of materials and workmanship used in construction. Although "excellent" is an assignable grade, there were not any commercial dwelling structures rated as such.

TABLE 18
Quality and Workmanship Used in Commercial Buildings by Construction Era

Year Built	Low Cost	Fair	Average	Good	Very Good	Total
1959 and earlier	363	1,295	3,050	480	4	5,192
1960-1969	27	150	841	208	0	1,226
1970-1979	35	164	2,181	461	1	2,842
1980-1989	16	166	1,046	125	2	1,355
1990-1999	14	84	1,082	289	1	1,470
2000	1	13	151	17	0	182
2001	2	10	134	17	0	163
2002	5	13	138	55	1	212
2003	0	24	194	57	2	277
2004	0	0	2	0	0	2
TOTAL	463	1,919	8,819	1,709	11	12,921

Buildings having either one or two units represent 60% of the total number of structures.

TABLE 19
Range of Dwelling Units in Commercial Buildings by Construction Era

Year Built	1 Unit	2 Units	3 Units	4 Units	5-8 Units	9-12 Units	13-24 Units	25-48 Units	More than 48 Units	Total
1959 and earlier	1,479	2,063	433	604	437	96	53	25	2	5,192
1960-1969	209	564	59	259	73	42	17	2	1	1,226
1970-1979	457	1,051	104	762	256	98	68	35	11	2,842
1980-1989	157	492	58	418	147	52	18	5	8	1,355
1990-1999	221	598	80	332	131	45	38	21	4	1,470
2000	26	97	8	25	5	11	8	1	1	182
2001	14	57	7	48	11	17	8	1	0	163
2002	15	83	14	43	30	11	13	3	0	212
2003	28	130	16	54	26	14	4	5	0	277
2004	0	2	0	0	0	0	0	0	0	2
TOTAL	2,606	5,137	779	2,545	1,116	386	227	98	27	12,921

Dwelling Units in Commercial Buildings

Over 80% of commercial dwelling units have one or two bedrooms.

TABLE 20
Number of Dwelling Units in Commercial Buildings
By Type of Structure and Number of Bedrooms

Structure Type	None/ Studio	1 Brdm	2 Bdrms	3 Bdrms	4+ Bdrms	Total
Apartment < 4 story	1,823	9,644	10,254	1,467	51	23,239
Apartment 4+ story	143	677	136	13	0	969
Boarding/ Rooming House	53	176	2	0	2	233
Condo	0	30	41	13	1	85
Duplex	85	1,381	5,070	2,255	263	9,054
Fourplex	182	1,962	5,730	1,128	37	9,039
Mixed Use Built as Comm	0	59	62	10	2	133
Mixed Use Built as Resid	5	71	38	16	1	131
Single Family	35	217	155	54	17	478
Townhouse	14	127	474	144	1	760
Triplex	49	709	1,072	262	17	2,109
TOTAL	2,389	15,053	23,034	5,362	392	46,230

Almost 88% of commercial dwelling units have one bathroom.

TABLE 21
Number of Dwelling Units in Commercial Buildings
By Type of Structure and Number of Bathrooms

Structure Type	One-half Bath	One Bath	One & 1/2 Baths	Two Baths	More than two Baths	Total
Apartment < 4 story	80	21,540	600	954	65	23,239
Apartment 4+ story	0	957	12	0	0	969
Boarding/ Rooming House	20	211	0	2	0	233
Condo	0	40	4	35	6	85
Duplex	17	6,796	783	1,243	215	9,054
Fourplex	5	7,814	617	544	59	9,039
Mixed Use Built as Comm	0	126	1	6	0	133
Mixed Use Built as Resid	0	119	3	9	0	131
Single Family	19	424	12	17	6	478
Townhouse	0	608	33	116	3	760
Triplex	0	1,852	75	169	13	2,109
TOTAL	141	40,487	2,140	3,095	367	46,230

Appraisers evaluate the current physical condition of the buildings and dwellings taking into consideration the foundation, frame, exterior walls, roof, heating, air conditioning, lighting and electrical systems, plumbing, internal walls and floor finish.

Poor – indicates the exterior/interior line is structurally unsound, and that major structural elements require replacement. The interior is dilapidated and does not appear suitable for use.

Fair – indicates the exterior/interior line shows marked wear and deterioration but the property is usable for commercial or industrial purposes. It could be characterized as "needing work".

Normal – indicates the exterior/interior lines show only minor signs of physical deterioration due to "wear and tear". There are few indications of deferred maintenance and no significant repairs or replacements are necessary.

Good – indicates the exterior/interior line is in new or "like new" condition. There are no deficiencies in material or construction and no signs of deferred maintenance.

Excellent – indicates a major renovation or rehabilitation has taken place. The effective age of the exterior/interior line has been altered to that of a much newer building in good condition. The amount of work done to enhance the appearance and structural soundness is far in excess of that required for normal maintenance.

TABLE 22
Physical Condition of Dwelling Units in Commercial Structures

Structure Type	Missing Data	Poor	Fair	Normal	Good	Excellent	Total
Apartment < 4 story	15	407	2,797	16,058	3,956	6	23,239
Apartment 4+ story	0	0	284	685	0	0	969
Boarding/ Rooming House	0	0	131	55	0	47	233
Condo	0	0	0	52	33	0	85
Duplex	2	102	970	6,825	1,129	26	9,054
Fourplex	4	101	875	6,832	1,151	76	9,039
Mixed Use Built as Comm	0	10	32	86	5	0	133
Mixed Use Built as Resid	0	1	27	85	18	0	131
Single Family	0	6	138	316	18	0	478
Townhouse	0	19	104	582	55	0	760
Triplex	0	35	433	1,401	234	6	2,109
TOTAL	21	681	5,791	32,977	6,599	161	46,230

While 86% of the dwelling units were in normal or better condition, 14% were in below normal condition.

SUMMARY

Of all property classified as residential by the Montana Department of Revenue CAMAS database, 78% was single-family, 19% was mobile homes and 3% was condominiums.

Montana's housing stock can be described as being predominately frame construction, with wood, masonite, aluminum, vinyl or steel siding and asphalt single roofs, and comprised of relatively conservative architectural styles such as conventional and ranch. Nearly all single-family homes, but few mobile homes, have a reinforced concrete foundation. Over one-half of single-family homes have a full or partial basement.

The market for newly constructed homes shows a trend toward larger living spaces, with three-bedroom, three-bath homes accounting for almost one-half of homes constructed since 1990.

While over 75% of the residential housing stock was in average to excellent condition, there were over 97,000 dwellings that were in serious need of maintenance and overhaul. Over 45% of dwellings were constructed with below average materials and workmanship, which can result in future higher maintenance costs. Overall, the effective age was older than the actual (chronological) age, indicating that the housing stock was in worse than average conditions.

Property classified as commercial by the Montana Department of Revenue CAMAS database included single-family homes, duplexes, triplexes, fourplexes, apartment buildings, townhouses, rowhouses, condominiums, and mixed use structures. These structures are classified as commercial as they are considered rental properties.

The pace of construction of commercial structures use for residential purposes has increased in recent years, and is approaching the annual level seen during the 1990's.

Over 80% of commercial dwelling units have one or two bedrooms and one bathroom, and were constructed with average or above-average materials and workmanship. However, almost 6,500 units, or 14% of total units, are either unsound or in need of improvements.